


Public Private Partnerships and Incentives

01

What's Possible

Legal Requirements


Economic Viability or Competitive Advantage + Equal or Greater Benefit Test



02

What is the Specific Financial Need

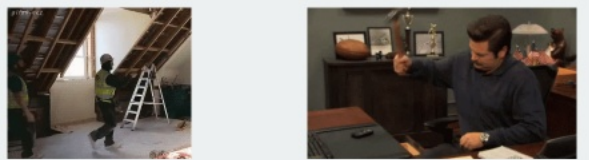
Sources & Uses Financials Programs



Digging into the project and understanding the specific financial requirements and needs is critical.

03

Is a hammer good or bad?



04

Team

An all hands on deck, coordinated team effort led by subject matter experts is essential.

Quarterback

(Dependant on type of Project)
The Quarterback should always take the lead and determine which teammates are put in the game and when.

- LED
- Regional/Local EDOs

Teammates


(should take their lead from the quarterback)

- Local Governments
- Local Finance Entities (IDBs, Public Trusts)
- Planning Districts
- State Governments Departments (DOTD, LWC, etc.)
- Legislative Delegate
- Congressional Delegation
- Utilities
- Various other people and entities depending on the specific project

05

Toolbox

Most Popular/Non-Exhaustive List of Tools



Local	State	Federal
<ol style="list-style-type: none">1. PILOTs2. Economic Development District3. Community Development District4. Bond Financing5. Performance Based Grant6. Revolving Loan Fund7. Community Development Block Grant Programs	<ol style="list-style-type: none">1. Quality Jobs2. Fast Start3. ITSP4. Enterprise Zone5. Tax Credits6. Data Center Sales Tax Exemption7. Louisiana Innovation Retention Program8. Restoration Tax Abatement9. Project Specific Legislative Incentives10. Performance Based Grants	<ol style="list-style-type: none">1. Tax Credits2. USDA Loans and Guarantees3. SBA Loans4. HUD Funding Programs5. Tax-Exempt Bonds6. Various Other Federal Department Funding Programs



Contact Information
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There is an art and science to
economic development.

[https://youtu.be/xnVP4cr9X0U?
si=1l4XarY0J2gJtZC1](https://youtu.be/xnVP4cr9X0U?si=1l4XarY0J2gJtZC1)

What's Possible

Legal Requirements

Economic Viability



OR

Competitive Advantage



+

Equal or Greater Benefit Test



Economic Viability



Competitive Advantage



Equal or Greater Benefit Test



What is the Specific Financial Need

Sources & Uses



Financials



Proforma



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Federal

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PILOT

(Payment in-lieu-of Tax)

- Most commonly issued through an industrial development board or public trust
- Used to provide a tax abatement customized to the specific project
- The percentage of the taxes abated and the length of the abatement are flexible and subject to negotiation
- PILOTs should be highly tailored to meet the needs of the project AND the community; Avoid a cookie-cutter approach
- Includes customized incentives to the project, while providing specific deliverables and protections to the community
- Are often combined with other incentives


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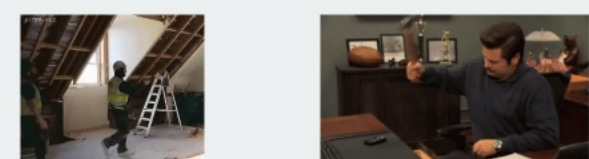
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Economic Development Districts

- Cities and Parishes can establish one or more economic development districts (each an "EDD") encompassing one or more of the planned developments.

- Up to four sources of revenue are created within an EDD.

1. The Tax Increment- the amount of revenue generated from the city's non-dedicated sales and use taxes above the "Baseline." The Baseline is the amount of revenue generated during the year prior to the creation of the EDD.

2. EDD Sales Tax- the EDD can levy an additional sales tax at a rate up to 2%.

3. EDD Hotel Occupancy Tax- the EDD can levy an additional hotel occupancy tax at a rate up to 2%.

4. With state approval, a portion of the revenue generated from the state's sales and use taxes above the "Baseline."

- Can be used to help incentivize a specific project/development or used as a tool to plan and encourage specific types of development in designated areas.

- The State legislature can also create a special purpose economic development district


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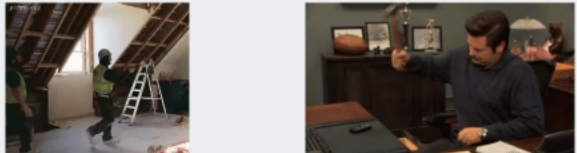
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Performance Based Grants

- Used by governmental and quasi-governmental economic development entities, as well as state and local governments to provide cash based incentives.
- Payments are contingent on the project meeting and maintaining specific performance targets.
- Payments are only made after initial targets are met.
- Provided through a cooperative endeavor agreement (CEA).


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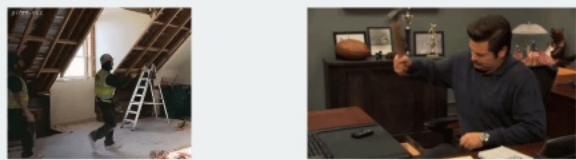
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